

Chapter 17—Powers of Government—

Insert the following as Article 280-A at page 185.

280-A. The Government of India have authorised the Resident at Baroda to sanction re-appropriations from the sub-head "Establishment" as well as from the sub-head Allowances to other classes of expenditure under the same major head in the sanctioned estimates of his office.

(*Vide G. I., F. D., No. 792-F., dated 22nd May 1915, forwarding a copy of G. I., Foreign and Political Department, letter No. 1045-Est.-B., dated 13th May 1915, to the Resident at Baroda.*)

Accompaniment to Addendum to Corrigendum No. 135, dated
the 14th October 1907.

**Annexure A to Chapter 16 of the Bombay Treasury
Manual.**

Rules regarding the receipt and payment of money and the method of
keeping accounts at Taluka Boards offices and at District Boards offices.

I—Taluka Boards.

(a) Account Books to be maintained.

1. District Local Boards and Taluka Local Boards bank with the Local Treasury or Sub-Treasury. Each Sub-Treasury keeps a simple ledger account for each Taluka Board banking with it, in which are entered each day's receipts and payments. At the Huzur Treasury a banking account is kept for the District Board; and from the Sub-Treasury daily sheets the transactions of Taluka Boards are entered, as if the money had been paid in, or drawn out, at the Huzur Treasury. The ledger account of the Huzur Treasury will therefore show each day the balance of the District Local Board as a whole as it stood on the previous day.

2. Each Taluka Board keeps a day-book, a cheque register and an imprest register, where necessary, in the form prescribed in the Local Boards' Rules.

3. *Day-book.*—In this are entered each day on the right hand pages the amounts of all cheques drawn, their numbers and the name of the person in whose favour the cheque is drawn, and particulars of receipts on the left hand pages. Share of grants from assigned revenues, and grants to hospitals and dispensaries will be entered in this cash-book and in the Sub-Treasury ledger account as if they were cash transactions. They are, in fact, book transfers of credit and will not appear in the Huzur Treasury ledger account. These grants are intimated by the President of the District Board and entries in accordance with his instructions must be made without question.

4. *Cheque Register.*—This register will show in the right hand side each day the amounts of all vouchers, to pay which cheques have been drawn in accordance with rule 46 of Bombay Local Boards' Rules. The numbers of the cheques drawn and the names of persons in whose favour the cheque is endorsed and the amounts will be entered on the left hand pages. There are also columns on the left hand page to enter the date of payment of the cheque at the Sub-Treasury daily.

It may be noted here that cheques should be drawn as far as possible in favour of individuals for the amount due to each when that amount exceeds Rs. 50. Where the cheque is intended to cover more than a single claim, the amounts of each separate claim are to be entered in the cheque register. The amounts, etc., of cheques are to be entered at the time the cheque is drawn.

5. *Imprest Registers* are kept by all persons holding imprest advances.

6. The day-book and cheque register are to be closed daily, and the balance of the former agreed with the balance of the Sub-Treasury ledger account by means of a pass-book.

The balance of the cheque register will be the amount of any money drawn by cheque and not actually disbursed. The President of the Taluka Board is responsible for the agreement between any such balance of cash and the balance shown in the cheque register.

7. Daily sheets, *i.e.*, extracts of the day-book, shall be sent at the close of each day to the Huzur Local Fund office, supported by all vouchers and challans, and shall there be incorporated into the accounts of the District Local Board. Lists of cheques issued must accompany these daily sheets.

(b) *Method of receiving Money and bringing it to account.*

1. The Local Board receipts mentioned in section 44 of the Local Boards Act are intimated by the Collector of the District to the President of the Local Board and distributed in accordance with the Act. At Taluka Boards these receipts take the form of book credits. All receipts collected through the Taluka Board office are under the control of the President of the Taluka Board. Money received must be sent to the Sub-Treasury daily. The Examiner, Local Accounts, will advise on forms to be used in collecting and watching such receipts, at the time of the annual audit.

(c) *Method of making Payments and bringing them to account.*

1. The procedure described in rule I (a) 4, 5 and 6 above is to be carefully followed.

2. When a cheque is to be signed, the cheque register is to be sent to the President with the cheque, and he shall initial in it the entry of the amount of the cheques and shall examine the register to see that the outstanding balance, if any, is not large and that no delays in disbursing money drawn occur.

II.—District Local Boards.

(a) *Account Books to be kept.*

1. The accounts of the District Local Board are kept in the Local Fund Branch of the Huzur Treasury.

The books maintained are—

- (1) a day-book in the form of a simple cash-book with double money columns;
- (2) a classified register of receipts and of expenditure;
- (3) a cheque register;
- (4) a *plus* and *minus* memorandum of balances;
- (5) a file of monthly transfer sheets;
- (6) a pass-book, which is a copy of the Huzur Treasury's ledger account.

2. *Day-book.*—This is in the form of a simple cash-book, having double money columns. It is posted daily from the classified registers of receipt and payment, the daily total of each budget head being entered. The day-book is to be closed and balanced daily and agreed with the Huzur Treasury account.

3. *Classified Registers of Receipts and Expenditure.*—In these registers are posted the amounts of Taluka Boards' vouchers and challans under the various heads. Also educational charges and assigned revenue as explained in rules (c) and (b) below.

The registers have the budget heads shown horizontally in their order at the top of the form. Each separate head in the budget is divided up talukwar. Each head has, therefore, a column for each Taluka Board and a total column. Space is to be left after each head, so that if the transactions under that head are likely to fill up one or more pages, the head can be repeated, without there being any necessity to repeat all the other budget heads also.

4. *Cheque Registers.*—This is a register of the cheques drawn by all the Local Boards. It shows the date of issue of the cheque and also its date of payment. It also shows the number of the cheque, payee's name, etc. The date of payment will be the date of incorporation at the Huzur Treasury in the case of Taluka Boards' cheques. There will thus be a difference between the balance at the credit of the Local Fund in the accounts maintained in the Local Fund section and those maintained in the Treasury proper, except in the case of contributions made from the Local Fund of one district to another or to Provincial revenues, cheques on account of which should be paid at once if possible by credit to the appropriate head.

This difference will be the amount of cheques drawn and shown in the Local Fund accounts, but not paid at the Treasury.

5. *Plus and Minus Memorandum of Balances.*—This is maintained to show the balances under General, Educational, Medical, etc., and talukas.

When an amount is transferred from one taluka to another a red ink *minus* entry is made against the balance of the former and a red ink *plus* entry against the balance of the latter in the monthly *plus* and *minus* memorandum and corresponding entry in the face of the classified cash account. At the foot of the memorandum an explanation of these transfers is given, but no explanation is required in the cash account. Grants from Taluka Boards to dispensaries are noted in the same manner.

The figures against "General" are obtained by deducting all Educational, etc., and taluka figures from the total figures. "General" is not a head of the classified accounts, and the memorandum on the face of the cash account showing balances, etc., divided up, is the only place where the figures "General" are required separately.

6. *File of Monthly Transfer Sheets.*—These are maintained for the correction of mis-classification and to bring into the accounts recoveries of over-payments. Recoveries of over-payments in cash, or by short payment, should be dealt with as follows :—

(1) Recoveries of over-payments will ordinarily be adjusted by deductions from the current year's charge under the detailed head

previously over-charged. The instructions of the Accountant General should be applied for in the case of recoveries of over-payments made in a previous year—

- (a) in the case of any single item in excess of Rs. 500 ;
 (b) when the aggregate of the items exceeds the current year's charge.

(2) If a recovery is made by short-payment of an item chargeable to the detailed head under which the previous over-payment occurred, no further adjustment is necessary as the over-payment and short-payment balance.

(3) If a recovery is made in cash, the amount should be taken to the lead "Cash Recoveries" as a credit item.

(4) If the recovery is effected by short-payment of an item chargeable to a detailed head other than that under which the over-payment was previously made—

(a) the total payment (*i. e.*, the amount actually paid *plus* the amount short-paid) is to be entered under the detailed head to which the item short-paid belongs;

(b) the amount of short-payment is to be entered as a credit item under "Cash Recoveries." -

(5) When amounts are entered under "Cash Recoveries"—whether in accordance with (3) or (4) (b) above—an entry is also to be made in a monthly list in the subjoined form. Before the accounts of each month are closed, the total on the Dr. side should be charged to "Cash Recoveries," thus clearing that head in the classified register; the items making up the Cr. side should be entered as deductions in the classified register of expenditure under the various detailed heads to which they appertain.

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(b) Method of receiving Money and bringing it to account.

1. No actual money transactions take place at the District Local Fund office at the Head-quarters Treasury. Revenue credited to the Local Fund in accordance with rule 31 of the Local Boards' Rules, under section 44 of the Local Boards Act (I of 1884), is to be brought to account at the Huzur Local Fund office.

(c) Method of making Payments and bringing them to account.

1. Educational payments are made at the Huzur Treasury, though not directly through the Local Fund office. The Treasury Officer pays Educational charges against a letter of credit, on production of proper vouchers. These paid vouchers are to be sent daily by the Treasury Officer to the Local Fund office to be entered in the classified register under the Educational heads.

III.—Public Works Expenditure.

1. An audit register is maintained at Taluka Boards' offices to watch expenditure on public works carried out by the Taluka Board. A similar register is to be maintained at the District Local Fund office. The register is in Standard Form 47-N. Expenditure is watched against the sanctioned contract; and the amounts for which the contractor agrees to carry out the work under the various heads of the estimate are entered in the place indicated in the form.

2. On receipt of the requisition statement and progress report under paragraph 2 of rule 37 of the Local Board Rules, the monthly cheque on account of public works expenditure should be drawn in favour of Government as follows :—

To

“The Officer in charge of the Treasury at

“Please pay to the credit of Government Rs. as detailed
on the reverse and debit the amount against the Local Fund.”

The cheque should be paid by transfer of credit.

The transaction should not appear in the Public Works register of receipts.

IV.—Establishment, and Fixed Recurring Charges.

1. A register in Standard Form 47-O is to be kept in which should be entered all payments of establishment charges and fixed recurring charges. The sanction is to be quoted in the first column of the register, and particulars of the establishment or fixed charge in the second column.

2. Temporary establishment is to be similarly dealt with, but should be shown in a separate register or a separate part of the permanent register.

V.—Pension Payments.

A register in Standard Form 47-P is to be kept to record all pension payments.

VI.—General.

1. A monthly cash account in Form 14 is to be sent to the Accountant General's office in time to reach it by the 10th of the month following that to which the account refers.

The account is to be made out from the classified registers of receipt and expenditure and the accompaniment mentioned in rule 51 of the Local Boards' Rules, paragraph 2, shall be sent with it.

It occasionally happens that the Executive Engineer's progress report (requisition statement) shows a *minus* quantity owing to some "write-back" or "recovery" having been effected; in such a case the Local Fund should be paid the amount by a transfer debit in the Treasury Accountant's cash-book, and the entries in the Local Fund cash account will be as follows:—

Under "Receipts" credit "Advances recovered."

Under "Expenditure" credit in summary of expenditure (by a red ink *minus* entry) the account originally debited, and debit "Advances made."

2. Under the provisions of section 53 and Local Boards' Rule No. 9 the Collector of the district has to place before each Board the information necessary to fill in the receipt side of the annual estimates. The actual figures are obtainable from the Treasury accounts and registers. The revised estimate should be based on the ascertained actuals of past months of the current year to which have been added the figures of the closing months of the past year; corrections should be introduced from what is known or can be ascertained of the history of the past, and the expectations of the coming months, regard being had to the experience of previous years. The budget estimate figures should be for what is expected to be actually received during the year and not for the demand falling due within the year. In the preparation of these returns the Collector should bear in mind the general instructions issued by the Accountant General, and the rules in the Civil Account Code regarding the preparation of the budget, so far as they can be applied to Local Funds. In the absence of more trustworthy data, estimated figures of fluctuating receipts should be based on average ordinary actual receipts of the past three years, the departmental officer being in all cases consulted.

The budget is due in the Accountant General's office on the 20th November, and it is absolutely necessary that it should reach it on or before that date so that there may be no delay in the compilation of the general estimates of the Presidency which are due for submission to the Government of India in the first week of January.

Under revised rule 19 a consolidated budget has to be drawn up by the Collector, who should be in a position to despatch it not later than the 15th November after verifying the balances and the figures of receipts. The consolidated budget should comprise the whole Local Fund constituted under Act I of 1894 (including the Educational section of the District Local Board's

N.B.—It will be noticed (1) that the credit under "Advances recovered" meets the credit afforded to the Local Fund at the Treasury, and (2) that the entries on the payment side equalize each other and do not therefore affect the Treasury figures.

The cash account need not be delayed to obtain the President's signature.

account), and the Collector should see that all the necessary accompaniments are attached, and that full particulars are given in the appendices to the budget (Parts III and IV), the notes given in the sample forms, attached to the rules, in the remark columns being rigidly followed.

3. The name of every permanent servant of the District Local Board, whether pensionable or not, should be shown in the annual establishment return submitted to the Accountant General under rule 53 of Local Board Rules. As prescribed by Article 55, Civil Account Code, only one copy of the return should be sent to his office. These returns will be checked locally by the auditors of the Local Fund Accounts Branch of the Accountant General's office.

4. Under Article 8 (*d*), Civil Account Code, all Local Fund bills for amounts in excess of Rs. 20 paid at the Treasury by cheques are to be stamped with one-anna receipt stamp. The bill must be stamped even if the bill is drawn by a Government officer.

5. Bilingual Local Fund cheque books, printed on water-marked paper, are supplied by the Yeravda Central Prison Press to districts in the Presidency proper and by the Commissioner in Sind's Press to districts in Sind. Each cheque book in Maráthi, Gujaráti and Kánaresé contains 50 cheques and the Sindhi books contain 100 cheques. When cheque books are required by Local Boards they should be obtained by indent from the Press concerned. The indents should be accompanied by a Treasury receipt for the value of stamps to be impressed on the cheques.

6. Each District and Taluka Board keeps a stock account of all moveable property of value belonging to the Board. All purchases, sales and writes-off of articles unfit for further use are noted in the appropriate page of the stock register.

Add the following new clause :—

2. The Deputy Inspector-General of Police for Railways Criminal Investigation should control and countersign the bills of the Criminal Investigation Department.

(*Vide* G. R., J. D., No. 4020, dated 26th July 1906: Ind. No. M.—1404.)

(No. 69, dated 14th August 1906.)

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Cancel Addenda and Corrigenda No. 69, dated the 14th August 1906,

No. 110, dated 3rd April 1907.)

Chapter 17.—Powers of Government.

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